

FINANCE & RESOURCES COMMITTEE – Terms of Reference 2023-24

1. PURPOSE

To consider and advise the Corporation on all aspects of the Corporation's finances, financial policies, controls and strategy, in accordance with the Instrument and Articles of Government and the Financial Memorandum. To also consider and advise the Corporation on the College arrangements in relation to Estates & Accommodation; Health, Safety & Environment; & Information Technology.

2. TERMS OF REFERENCE

Financial Performance & Monitoring

- 2.1 To monitor regularly the financial position of the College (including any subsidiary companies), including the financial health score, and to oversee compliance with the conditions of funding.
- 2.2 To advise the Board on progress towards achieving the agreed financial objectives and provide a termly report to the Corporation on the College's financial position.
- 2.3 To consider and make recommendations to the Corporation on the Annual Estimates of Income and Expenditure, advising of any significant variations in expenditure and capital expenditure requirements (including loans).
- 2.4 To review the arrangements for ensuring the College's solvency, safeguarding its assets and securing value for money.
- 2.5 To monitor the deployment of financial and non-financial resources, with a view to advising the Board on the effectiveness and efficiency of the use of such resources.
- 2.6 To recommend for approval by the Corporation any amendments to the College's Financial Regulations, including limits of delegated authority
- 2.7 To recommend the annual financial statements for approval to the Corporation (jointly with the Audit Committee).
- 2.8 To approve the College's Treasury Management Policy, setting out a strategy and policies for cash management, long-term investments and borrowings, and monitor the implementation, monitoring and review of such policies
- 2.9 To recommend for approval the College's policies on Tuition Fees, Supply Chain Fees & Charges and other fees.
- 2.10 To approve procedures relating to the disposal of equipment and furniture and consider any proposals relating to the acquisition and disposal of land and buildings and make appropriate recommendations to the Corporation.

- 2.11 To periodically review the College's banking arrangements and determine whether a competition for price and quality of service is appropriate.
- 2.12 To approve any severance payment scheme and to note any individual payments to employees in excess of £30,000.
- 2.13 To recommend to the Corporation approval of arrangements relating to External Funding, Joint Ventures, and Subcontracting and to monitor the performance of these areas.

Estates & Accommodation

- 2.14 To consider and advise the Corporation on the College's Estates & Accommodation Strategy including making recommendations concerning the financial consequences of the Strategy.
- 2.15 Determine whether consultants may be appointed where any capital project is too large or specified for estates department resources.
- 2.16 To monitor capital expenditure within the approved programme (including any significant capital projects) and to advise the Board of any instances where the budget or timescale for capital projects is likely to be exceeded. To consider any post project evaluation reports following the completion of major capital projects.
- 2.17 To monitor the College's performance against key indicators for the efficient use of its estate, such as room utilisation

Health, Safety & Environment

- 2.18 To review & approve amendments to the College's Health, Safety & Environment Policy.
- 2.19 To review & approve amendments to the College's Carbon Management Plan.
- 2.20 To receive regular updates relating to Health & Safety, Environmental Sustainability, and Carbon Management and monitor performance against key indicators.

Information Technology

- 2.21 To monitor the deployment of IT resources, ensuring that these match learner expectations and support the development of teaching, learning and assessment.
- 2.22 To ensure the budget is fit for purpose and identify areas for capital investment.

General

- 2.23 To consider any risks on the risk register relevant to the Committee and recommend amendments to the Audit and Risk Committee.
- 2.24 To undertake an annual self-assessment against the terms of reference.

3. AUTHORITY

- 3.1 The Finance & Resources (F&R) Committee is authorised by the Governing Body to investigate any activity within its Terms of Reference and has the right of access to obtain all the information and explanations it considers necessary, from whatever source, to fulfil its remit.
- 3.2 The F&R Committee is authorised by the Corporation to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with the relevant experience and expertise when necessary
- 3.3 The Chair of the Committee (or an agreed representative) will provide an overview of the work of the Committee to the next meeting of the Board, drawing attention to any issues of significance. The minutes of the meeting will also be provided to all members of the Board via the Governors Portal.
- 3.4 The Committee will also provide an annual report to the Board on the action taken during the year by the Committee.

4. MEMBERSHIP & OPERATION

- 4.1 The Committee shall be appointed on the recommendation of the People & Governance Committee and shall consist of at least five members which must include a minimum of three governors and a maximum of two co-opted members known as Associate Governors.
- 4.2 The Committee shall include:
 - The Principal/ Chief Executive (Accounting Officer)
 - At least two other Independent Governors
 - Up to 2 co-opted members (Associate Governors)
- 4.3 Collectively members should have recent, relevant experience in financial management, health & safety and estates/ facilities / IT management. At least one member should have recent and relevant experience in accounting or auditing.
- 4.4 Co-opted Associate Governors will have voting rights on this Committee. They do not have a right to attend other Committee or Corporation meetings.
- 4.5 The Committee may seek the services of external advisers and/ or invite other individuals to attend any F&R Committee meeting as it considers necessary to fulfil its responsibilities.
- 4.6 The People & Governance Committee shall review the membership of this Committee and make recommendations for approval by the Corporation on an annual basis.
- 4.7 Decisions to be made at meetings of the Committee shall be determined by a majority of the votes of members present and voting. Where there is an equal division of votes, the Chair of the Committee shall have a second or casting vote.
- 4.8 The Vice Principal – Finance & Resources and Director of Governance (or another independent individual) shall be in attendance at the F&R Committee meetings. Other governors who are not members of the F&R Committee shall have a right of attendance. All individuals in attendance shall have no voting rights.

- 4.9 The Committee has the right, whenever, it is satisfied that it is appropriate to do so, to go into confidential session and exclude any, or all, participants, and observers, except the Clerk to the Committee. When the Committee exercises this right, the meeting must be quorate.

5. QUORUM

- 5.1 The Committee shall be quorate if 40% of the membership are present or three governors, whichever is the highest (and for these purposes, “present” includes being present by suitable electronic means in which members are all able to communicate with each other). The majority of those present must be full board members.

6. FREQUENCY OF MEETINGS

- 6.1 The Committee shall meet at least three times each year and as required in order to fulfil its responsibilities.

7. APPOINTMENT OF CHAIR & VICE CHAIR

- 7.1 The Chair and Vice Chair (if the Committee decides that a Vice Chair should be elected) shall be selected on an annual basis in accordance with the Corporation’s Standing Orders.
- 7.2 The Chair & Vice Chair of the Finance & Resources Committee should not be any of the following:
- Chair or Vice Chair of Audit Committee
 - A Co-opted Associate Governor
- 7.3 In the event of the Chair and Vice Chair being unable to attend the meeting, the remaining Committee members should elect one of themselves as Chair for the meeting.
- 7.4 The Chair of the F&R Committee should have the expertise to understand the reports and ability to hold the Leadership Team to account.

APPENDIX A

RESPONSIBILITY FOR POLICY / DOCUMENT REVIEW AND APPROVAL

Strategy / Policy / Procedure	Approved by the F&R Committee (Delegated Authority)	Reviewed and Recommended to Board for Approval
Annual College Budget		✓
Anti-Bribery Policy and Procedures	✓	
Carbon Management Plan	✓	
Estates Strategy		✓
Expenses Policy	✓	
Fees, Debt & Financial Support Policy	✓	
Financial Regulations including procedures for procurement & contracting		✓
Financial Statements including any subsidiary Companies		✓
General Data Protection Regulation (GDPR) Policy & Privacy Statements	✓	
Fraud Policy and Fraud Response Plan	✓	
Freedom of Information Act Publication Scheme	✓	
Health, Safety & Environment Policy		✓
Partnership Management Fees Policy	✓	
Pensions statement on the exercise of discretionary function in connection with LGPS	✓	
Supply Chain Fees & Charges Policy	✓	
Sub-Contractors / Partners Contracts – Future Contracts/Additional partner/Extensions		✓
Three Year Financial Plan		✓
Treasury Management Policy	✓	